

90 GUIDE TO INVESTMENT AND FINANCE

circulated, and mysterious hints are plentifully scattered of an unrivalled success; for no one knows better than the professional promoter the seductive efficiency of what are called "friendly tips" upon the credulous mind. Favoured admission, to the exclusion of others, forms a potent appeal. This forced show of demand (exhibited in the manufactured rise of price as an apparent sign of estimation) often imposes upon the public, and deludes them into the promoter's device of exchanging good money for worthless securities, whose only reality, indeed, is the certainty of subsequent lamentation. It need scarcely be added that brokers of character and reputation hold themselves aloof from these nefarious projects. A market in any ware or stocks becomes "disturbed" when unusual circumstances have arisen (a threat of war, the failure of an important firm, a critical speech by a prominent statesman, here or abroad, and similar events) which especially affect the exchangeability, or readiness of transfer of those wares or stocks: investors and speculators become alarmed by such occurrences and their possible consequences upon the values of securities, and hence refrain from buying, or endeavour to sell. A market (that is, the body of dealers in stocks, and the public with whom they deal) grows "sanguine" or "buoyant" when the particular articles dealt in are in large demand, and their prices thus advance under the stimulus of hopeful feelings, and confidence in future success; or a market is "depressed," "heavy," or "stagnant," when, from weakening or loss of confidence in the stability or prosperity of the companies or institutions whose securities are concerned, the buyers become scanty, and prices consequently fall.

The constitution and course of the organisation which is termed the Money Market now claims special attention, as practically the financial pivot on which the business of the nation turns; the word "pivot" suggests the closeness of

analogy with the compass needle, both in the constant oscillations common to each, their erratic and violent movements under the influence of external stress, and their extreme sensitiveness—market and needle alike—to the faintest impressions from surrounding conditions.